

From: "Home Mortgage Corp" <hcorp1@tampabay.rr.com> on 04/08/2008 01:55:04 PM

Subject: Regulation Z

April 8, 2008

To Whom It May Concern:

I would like to take this opportunity to thank the Federal Reserve Board for its consumer protection goals however, I respectfully oppose the proposal to restrict compensation for mortgage brokers.

Did you know that the majority of the defaults and foreclosures had pay option arms? Did you know that the banks were the biggest advocates of these loans? Why shouldn't the consumer be protected from banks as well? After all it is not the mortgage brokers who have these programs, it is the banks! I am very proud to say I have never in my 10 years put someone in this type of loan. I even lost loans to banks because I tried to put the borrower in a fixed rate loan and fully amortized because the rates were so attractive. I advised borrowers of the negative amortization and explained in detail that if they made just the minimum payment, they would end up owing more than they borrowed. The bank did not explain this to the customer. They heard 1.9% interest rate from the banks and that is all it took to get the customer to go with the bank.

For years now banks have been trying to get into the Real Estate market and with this proposal, the Board is giving them their golden opportunity. The unemployment rate will skyrocket because not only will mortgage brokers be out of business but many appraisers, title companies and surveyors, construction jobs which are already feeling it as well as many small businesses, i.e. restaurants. It is not fair and banks should have the same disclosures that mortgage brokers do.

Rates change daily sometimes hourly. It is impossible to give a precise dollar estimate of fees before an application is submitted. This is ludicrous especially with all the "tweaking" FNMA and FHMC do in their systems. As a deal progresses, transaction details may change too. We are mortgage brokers, not fortune tellers or psychic.

I urge the Board to consider alternatives to the proposed regulation that will pertain to ALL mortgage originators and encourage competition based on price and service.

I sincerely appreciate your consideration of the above comments.

Thank You!
Cynthia Lemke
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